

Security check for FDI inflow

618. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have no plans to impose security check for FDI inflow and legislate law to screen investments;

(b) if so, the details thereof and reasons therefor; and

(c) since there has been allegation of investment from abroad, how FDI inflow from underworld is proposed to be checked?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) FDI in films is presently under automatic route. Such investments do not require prior approval by Government or any other agency. Government has been appraising the impact on the national security of foreign direct investment in sectors, which are considered sensitive. No decision has been taken in this regard.

Share of foreign investors in banks

619. SHRI SITARAM YECHURY: Will the Minister of FINANCE be pleased to state:

(a) the share of foreign investors in nationalised banks;

(b) whether it is a fact that foreign investors' share in nationalised banks is increasing; and

(c) if so, the details in each nationalised bank for the period from 1995-2000 and 2000-2005?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) the percentage shareholding of non-residents in nationalised banks from March, 1997 to March, 2005, as furnished by Reserve Bank of India, is given in the Statement (See below). The non-resident holding has generally shown an increasing trend based on year-on-year analysis. In case of 4 nationalised banks i.e. Central Bank of India, Indian Bank, Punjab & Sind Bank and United Bank of India, 100% equity is held by Government of India.